



November 21, 2011

Rebecca Pearce
Executive Director
Maryland Health Benefits Exchange
4201 Patterson Avenue, Room 400
Baltimore, MD 21215

Dear Rebecca:

Thank you for the opportunity to provide comments. We are writing to offer our perspective on two of the topics you are studying as well as some more general recommendations for Maryland.

Active purchasing

Although NCQA knows of states that have actively purchased health insurance for Medicaid and for state employees' health benefits, we believe that Exchanges can also be successful in promoting value through a more flexible approach. An Exchange with more qualified health plans can drive competition on value – cost and quality – through organizing the choices facing consumers in a way to direct them to high value plans. Competition for market share driven by consumer choice -- rather than being a qualified plan -- is a valid pathway towards value and to giving health plans in Maryland strong incentives to improve the quality of care while striving to reduce costs.

Transparency is central to supporting healthier insurance markets and, ultimately, healthier Marylanders. The Exchange should provide clear, easy to understand information on total costs and the quality of care provided by the QHP. Most crucial is the use of choice architecture in the online portal and QHP search function. QHP options should be displayed in a way to encourage the use of high-value QHPs and make it easy for Marylanders to pick the plan that is appropriate for them.

The role of navigators

Maryland's navigator programs should meet three core competencies:

- (1) Enrollment: They must have the ability to guide consumers through the QHP purchase process (whether it be online or otherwise) from start to finish.
- (2) Eligibility: They must understand the eligibility criteria for public subsidies and use this knowledge to support consumer decision making.

(3) Selection: They must understand how to access information on QHP benefit information, physician networks, quality rankings, the cost calculator and other consumer assistance tools designed to support consumer decision making and the use of high value plans.

As to the role of brokers, we believe that navigators and brokers can each support consumers and businesses purchasing coverage through the Exchange and that brokers also should demonstrate these competencies.

Other issues: Helping consumers shop for high-value plans

If the Exchange is difficult or confusing to navigate, it will be difficult for consumers to find high-value plans and may result in consumers seeking coverage outside the exchange or forgoing coverage altogether. The business model should account for an appropriate investment in the design of a consumer-friendly online portal, and the development of effective consumer assistance tools (such as navigators and a call-center).

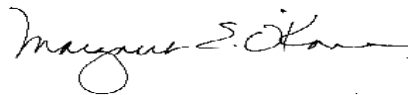
Key attributes and functions of the website are:

- Availability and prominence of simple ratings of quality and total cost – for example with simple signs and symbols;
- A basic explanation of some of the terms consumers will need to know like premium, coinsurance, copay, deductible and total out of pocket spending.
- Provision of an electronic calculator, as required, that helps shoppers estimate what their total costs will be so low premiums do not lure them into plans with unaffordable cost sharing (a model calculator would greatly help states with this task);
- Presentation of plan choices in consumer tested and friendly “choice architecture” so it easy for people to choose high-value plans quickly;
- Availability of recommendations for high-value QHPs;
- Information on availability of providers in QHP networks
- Support for navigators and brokers who use information on total costs and quality to help Exchange shoppers find the best value; and
- Providing default options that point people in the direction of high value plans (e.g. sorting plans by value metrics and using this information to determine which plans appear on the first results screen).

Exchanges are required to develop a rating system to help consumers choose QHPs based on value - cost and quality. We strongly encourage Maryland to leverage its experience in using HEDIS and CAHPS and work with interested stakeholders (including the federal government) to determine the best option for a consumer-friendly QHP rating methodology. HEDIS is the most widely used health care quality measurement tool in the US. The Maryland Healthcare Cost Commission has a longstanding investment in providing consumers with detailed quality ratings for health plans in the state. We recommend you build from this system going forward.

We would be very happy to meet to discuss these ideas with you in the New Year.

Sincerely,

A handwritten signature in black ink, appearing to read "Margaret E. O'Kane". The signature is fluid and cursive, with a large initial 'M' and a distinct 'O' for 'O'Kane'.

Margaret E. O'Kane
President